
STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



INDIANA GOVERNMENT CENTER NORTH
100 NORTH SENATE AVENUE N1058(B)
INDIANAPOLIS, IN 46204
PHONE (317) 232-3777
FAX (317) 232-8779

To: County Auditor

From: Budget Division
Department of Local Government Finance (DLGF)

Re: Adoption of Local Option Income Tax (LOIT)

Date: August 31, 2007

As Governor Mitch Daniels announced August 17, 2007, the DLGF and Department of Revenue have extended the deadline for adoption of the Local Option Income Taxes (LOIT) created by HEA 1478 to December 31, 2007. An order to this effect is enclosed.

The effective date for the LOIT withholding is dependent upon the adoption date. This is outlined in the chart below:

Adoption Date	Effective Date for LOIT withholding
Before October 1, 2007	October 1, 2007
October 1, 2007 – October 15, 2007	November 1, 2007
October 16, 2007 – November 15, 2007	December 1, 2007
After November 15, 2007	January 1, 2008

DLGF processing of the Pay 2008 Budgets will begin for a county when the DLGF has all the necessary documentation including either a decision regarding these new LOITs is made or the deadline of December 31, 2007 passes. Therefore, it is imperative for a county to notify the Indiana Department of Revenue, State Budget Agency, and the Department of Local Government Finance as soon as a decision is reached regarding these new LOITs. If a county chooses not to adopt the LOITs, then notification via a letter signed by the appropriate Council President should be submitted. The fax number for each agency is listed below.

Agency	Fax Number	Attention
DLGF	317-232-8779	Brenda Dudley
Department of Revenue	317-232-2103	Tom Conley
State Budget Agency	317-223-3323	Bob Lain

Questions regarding this memo should be directed to Brenda Dudley at 317-233-2709.